

# **EXHIBIT 1**

Angus F. Ni  
AFN Law PLLC  
506 2nd Avenue, Suite 1400  
Seattle, WA, 98104  
(646) 543-7294  
[angus@afnlegal.com](mailto:angus@afnlegal.com)

*Counsel for Plaintiffs*

ANGUS F. NI  
AFN LAW PLLC  
506 2ND AVENUE, SUITE 1400  
SEATTLE, WA 98104  
(646) 543-7294  
[angus@afnlegal.com](mailto:angus@afnlegal.com)

**IN THE SUPERIOR COURT FOR THE STATE OF WASHINGTON  
IN AND FOR THE COUNTY OF KING**

WA&HF LLC,  
Ruizheng An

Plaintiffs,

v.

Saraca Media Group Inc.,  
Wengui Guo,

Defendants.

Case No.

**COMPLAINT FOR:**

- 1. BRACH OF CONTRACT**
- 2. BREACH OF GOOD FAITH AND FAIR DEALING**
- 3. UNJUSTENRICHEMENT**
- 4. DEFAMATION**

**I. NAUTRE OF THE ACTION**

1. This is an action by Plaintiff WA&HF LLC which entered into a “Software Development Agreement” (“SDA”) with Defendant Saraca Media Group Inc. (“SMG”) and performed under the SDA. Defendant SMG refused to pay the remaining contract price as specified in SDA, and Defendant Wengui Guo (“Guo”) made false and defamatory statements about Plaintiffs in his online broadcasting to avoid payments under the SDA. This lawsuit seeks monetary damages.

**II. PARTIES**

2. Plaintiff WA&HF LLC, (“WA&HF”), is a limited liability company, created, organized, and existing under the laws of State of Washington.

3. Plaintiff Ruizheng An (“An”), is a and at all relevant times a foreign national and resident of King County, Washington. Mr. An is also the CEO of WA&HF LLC.

4. Plaintiffs are informed and believe, and therefore allege Defendant Saraca Media Group Inc., is and at all times mentioned herein a corporation, created, organized, and existing under the laws of the State of Delaware.

5. Plaintiffs are informed and believe, and therefore allege Defendant Wengui Guo controls SMG, and is and was at all time mentioned herein a foreign national residing in the State of New York.

**III. JURISDICTION AND VENUE**

6. The Superior Court of Washington has jurisdiction of Plaintiffs’ claim pursuant to RCW 2.08.010.

7. The Superior Court of Washington has jurisdiction over Defendants pursuant to 4.28.185.

8. Venue in King County is appropriate pursuant to RCW 4.12.020.

**IV. FACTUAL ALLEGATIONS**

9. On May 6, 2019, SMG entered into a “Software Development Agreement” with WA&HF in which WA&HF agreed to develop a video broadcast platform. The contract price was USD 797,825 plus any taxes.

10. The SDA contains project specifications for the App to be developed (the “App” or

1 “GTV”), a development plan with milestones, as well as a payment schedule that was included as an  
2 exhibit of the SDA.

3 11. Over the course of 2019 and early 2020, WA&HF performed under the contract, and  
4 the first three payments, each 20% of the contract price, was paid to Plaintiff WA&HF.

5 12. Exhibit B of SDA provides that within 3 days of the software’s delivery and  
6 acceptance by SMG, SMG shall pay to WA&HF the remaining 40% of the contract price, which is a  
7 total of USD 319,130.

8 13. On or before March 12, 2020, Plaintiff WA&HF delivered the contracted-for  
9 software to the Defendant SMG and Defendant SMG accepted such delivery.

10 14. On March 12, 2020, via a Zoom meeting, WA&HF and SMG agreed to April 30, 2020  
11 as the deadline for final payment.

12 15. On April 15, 2020, WA&HF officially launched the App on the app store. It was  
13 immediately well received by users.

14 16. On May 8, 2020, WA&HF delivered the App’s source-code to Defendant SMG.

15 17. Defendant SMG has since refused to pay the remain 40% of contract price in the  
16 amount of USD 319,130 to WA&HF, materially breaching the SDA.

17 18. In an effort to avoid payments and intimate Plaintiffs not to seek payments, beginning  
18 May 19, 2020, Guo, who controls SMG, began making a series of public, false, and defamatory  
19 statements against WA&HF and Mr. An.

20 19. On May 19, May 21, May 23, May 25, May 30, June 6, and June 9, 2020, in Guo’s  
21 public online broadcasts to his many social media followers, Guo publicly accused WA&HF, its  
22 personnel, and Mr. An of launching cyber-attacks against GTV, stealing GTV user information from  
23 the server of GTV, installing malicious software and deliberately sabotaging the operation of GTV.

24 20. Guo called out WA&HF’s personnel, including Mr. An, and stated that they were  
25 communist agents hired by the Chinese government to sabotage the app they built.

26 21. On May 31, 2020, one of Guo’s twitter followers, who has thousands of followers,  
27 following Guo’s exhortations, named Mr. An on his/her twitter feed, accusing him of being a  
28 communist agent.

1           22.     On June 8, 2020, Guo falsely stated in an online broadcasting that WA&HF installed  
2 malicious software in the GTV codebase and stole G-coins (a form of virtual currency Guo was  
3 marketing). Guo stated, referencing Mr. An and WA&HF: “I thought they did not have a Chinese  
4 Communist Party background, but it does not seem to be that simple.”

5           23.     On June 9, 2020, Guo repeated the statement in another broadcast, stating: “as to  
6 Pangxie (a pseudonym meaning “crab” that Guo used to refer to Mr. An), I thought he could not  
7 collude with the Chinese Communist Party ... but it does not seem to be that simple.”

8           24.     Guo’s live online broadcasts attracts thousands of viewers, the video recording of these  
9 particular broadcasts have since been viewed tens of thousands of times.

10          25.     Multiple other online social media accounts have since publicly discussed Mr. An and  
11 his company, portraying them in a negative manner while referencing Guo’s numerous malicious  
12 broadcasts.

13          26.     Guo made the above false and defamatory statement about Plaintiff with malice, and  
14 in order to avoid payment by intimidating Plaintiffs.

15          27.     Guo defamatory statements accuse the plaintiffs of engaging in serious criminal  
16 activities—cyber-attacks against a customer.

17          28.     Guo defamatory statements have also harmed plaintiff’s professional reputation in his  
18 core industry: software development.

19          29.     By calling him an agent of a foreign government sent to disrupt GTV, Guo’s  
20 defamatory statements also subjected the Mr. An to public hatred and contempt.

21          30.     For example, since Guo’s statements, Mr. An has been publicly castigated and insulted  
22 repeatedly as a communist spy and an agent of the Chinese government on social media platforms.

23          31.     Mr. An’s personal information, including his picture, have been posted online by  
24 Guo’s social media followers. He is now the target of an online smear campaign instigated by Guo.

25          32.     Guo defamatory statements constitute libel per se under the laws of Washington.  
26  
27  
28

1 **V. CAUSE OF ACTION**

2 **FIRST COUNT**  
3 **BRECH OF CONTRACT**  
(Against defendant SMG)

4 33. Plaintiffs incorporate paragraphs 1 – 32 inclusive herein above, by reference, as if set  
5 forth and pleaded herein.

6 34. Valid and binding written agreement were made between the parties.

7 35. Defendant SMG breached the agreement by failing to pay the 40% of the remaining  
8 contract price after they became due.

9 36. At all relevant times, Plaintiff WA&HF has fully performed all stipulations, conditions  
10 and covenants which are part of the agreement.

11 37. As a direct and proximate result of the Defendant SMG's breaches, Plaintiff WA&HF  
12 has sustained damages for the unpaid contract price.

13 **SECOND COUNT**  
14 **BRECH OF GOOD FAITH AND FAIR DEALING**  
(Against defendant SMG)

15 38. Plaintiffs incorporate paragraphs 1 –32 inclusive herein above, by reference, as if set  
16 forth and pleaded at length herein.

17 39. The Agreement between the parties and valid and binding contract, which by operation  
18 of law, include an implied duty of good faith and fair dealing, requiring the parties to cooperate with  
19 each other so that each may obtain the full benefit of performance.

20 40. By and through Defendant SMG's acts and omission alleged here, Defendant SMG  
21 has breached the duty of good faith and fair dealing.

22 41. As a direct and proximate result of the Defendant SMG's breaches, Plaintiff WA&HF  
23 has sustained damages for the unpaid contract price.

24 **THIRD COUNT**  
25 **UNJUST ENRICHMENT**  
(Against defendant SMG)

26 42. Plaintiffs incorporate paragraphs 1 – 32 inclusive herein above, by reference, as if set  
27 forth and pleaded at length herein.

28 43. By their acts and/or omissions herein alleged, defendant SMG has been unjustly

1 enriched at the expense of Plaintiff WA&HF in the amount of the contract price owed.

2 44. Defendant SMG knowingly have received or will receive a benefit under  
3 circumstances making it inequitable for SMG to retain the benefits.

4 45. As a direct and proximate result of SMG's unjust enrichment, Plaintiff WA&HF is  
5 entitled to restitution in an amount to be proven at trial.

6 **FOURTH COUNT**  
7 **Defamation**  
8 **(Against defendant Guo)**

9 46. Plaintiffs incorporate paragraphs 1 – 32 inclusive herein above, by reference, as if set  
10 forth and pleaded at length herein.

11 47. Guo deliberately and maliciously made false and defamatory statements about  
12 Plaintiffs in public online broadcasting, which constitutes the tort of defamation.

13 **VI. PRAYER FOR RELIEF**

14 WHEREFORE, Plaintiffs pray for relief and judgment as follows:

15 A. For a judgment in the amount of USD 319,130, plus contractual and/or statutory  
16 interest.

17 B. Order Guo to publish a retraction of his statements to Plaintiffs in the same media as  
18 carried the original defamatory statements

19 C. Enter judgements against Guo for damages in an amount to be determined at trial or  
20 other hearing.

21 D. Award Plaintiffs reasonable attorney's fee, costs and other expenses incurred in the  
22 prosecuting this action.

23 E. Grant other relief as this court deems fair and appropriate.

24 Date: August 17, 2020

25 **AFN Law PLLC**

26 by:   
27 Angus F. Ni

28 AFN Law PLLC  
506 2nd Ave, Suite 1400  
Seattle, WA 98104  
Phone: (646) 543-7294

*Attorneys For Plaintiffs*